



**TESTIMONY**  
**2024 Joint Legislative Budget Hearing**  
**Workforce Development/Labor**  
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Submitted by:  
Michelle Jackson  
Executive Director  
Human Services Council of New York

**Introduction**

My name is Michelle Jackson, and I am the Executive Director at the Human Services Council (HSC), a membership organization representing over 170 human services providers in New York City. HSC serves our membership as a coordinating body, advocate, and intermediary between the human services sector and government. We take on this work so that our members can focus on running their organizations and providing critical direct support to New Yorkers. These are the nonprofits that support New York's children, seniors, those experiencing homelessness, people with disabilities, individuals who are incarcerated or otherwise involved in the justice system, immigrants, and individuals coping with substance abuse and other mental health and behavioral challenges. We strive to help our members better serve their clients by addressing matters such as government procurement practices, disaster preparedness and recovery, government funding, and public policies that impact the sector.

**New York Human Services Providers**

Nonprofit human services organizations play a significant and longstanding role in building and supporting the wellbeing of New Yorkers, enabling millions of people to contribute to their communities as students, parents, neighbors, and workers. They train and help keep workers in good jobs, provide early childhood education and after-school programs, run food pantries, respond to emergencies and natural disasters, provide mental health counseling, support asylum seekers, shelter people experiencing homelessness, and care for the elderly, among many other community services. Government reliance on the nonprofit human services sector for a broad range of vital public services has steadily grown over at least the past three decades. During that time, total New York City employment in the core social assistance sector doubled, increasing more than two-and-a-half times as fast as total private sector employment. However, human service workers make between 20-35 percent less in median annual wages and benefits than workers in comparable positions in the public and private sector.

**Pass COLA Legislation for Human Services Workers (S7793/A8437, S1291/A4046)**

Although we are grateful for the cost-of-living adjustment (COLA) investment in previous years and the inclusion of a 1.5% COLA this year in the executive budget, the sector needs a 3.2%

COLA that aligns with the CPI. The COLA is also not inclusive of all State-contracted human services programs as it left out thousands of human services workers, including independent living centers, NYS Commission for the Blind programs, NYS supportive housing programs, preventive services, transportation services, and many more. Therefore, we ask the Legislature to pass S7793/A8437 and S1291/A4046 because a COLA implemented in every State-funded human services contract is a significant step to address the historic underfunding and lack of investment in the human services sector that had occurred by the prior administration and coupled with the current economic conditions. The lack of COLAs for workers not only disadvantages communities who rely on these workers for lifesaving services but represents a critical and overlooked economic equity issue. These workers continue to serve their communities by innovating and adapting their person-to-person operations to the current reality shaped by the pandemic while dealing with inflationary pressure and chronically underfunded government contracts.

Moreover, COLAs to keep up with inflation are not standardized and require the sector to advocate for year after year. A COLA is not a permanent solution to closing the gap in pay and compensating workers for years of underfunding. This results in increased staff turnover as underpaid staff leave nonprofits for better paying jobs in government or the private sector, depriving New Yorkers of services from the most experienced, well-trained staff and jeopardizing high-quality services. Government must enact a comprehensive plan to raise the wages of the sector and provide enhanced career advancement opportunities starting with establishing a human services employee wage board. When an organization is inadequately funded by government contracts, the quality and sustainability of its programs suffer—and so do its clients.

### **[Pass Legislation to Establish a Human Services Employee Wage Board \(S4675/A3329\)](#)**

As mentioned above, New York State relies on human services organizations to provide lifesaving services to communities through government contracts. This makes government not just the predominant funder of human services, but also the main driver of human services salaries, and either directly sets salary rates on contracts or does so indirectly by establishing costs for a unit of service along with required staffing on a contract. This government-sanctioned “poverty pay” has resulted in nearly 25% of all human services workers qualifying for food stamps in 2016-2018. Since human services workers make between 20-35 percent less in median annual wages and benefits than workers in comparable positions in the public and private sector, it is imperative that the State investigate the wage inequity and develop recommendations on adequate and equitable wages by establishing a human services employee wage board.

### **Conclusion**

Without providing adequate compensation for human services workers, human services organizations cannot:

- Attract, hire, or retain top talent as workers seek less stressful, better paying positions elsewhere;
- Ensure continuity of relationships for their clients; or
- Engage in long-term strategic planning.

Therefore, the State must act to show its commitment to ensure human services nonprofits and their workforce receive the [#JustPay](#) they deserve. It is time to step up for them to show that their labor is valued not by empty words but by ensuring that they no longer get paid poverty wages under government contracts. Nonprofits are the vehicle to get New Yorkers to success, instead, government perpetuates scarcity, constraining the resiliency of the sector and the communities that they serve. An inclusive 3.2% COLA incorporated into all State-funded human services contracts is essential, not as a substitute for comparable pay but to ensure that pay parity is maintained. That is why we also need to establish a human services employee wage board to ensure that human services workers finally earn fair pay for their essential labor by investigating human services employee wages. This is vital to ensuring that our human service providers have the resources needed to continue providing high-quality human services across the State. The sector is experiencing a fiscal crisis, but with long-term, strategic investment it can become stronger and more resilient, helping more New Yorkers to thrive.

Thank you for providing me with the opportunity to testify and look forward to continuing our work with the State to support the [#JustPay campaign](#) by including a 3.2% inclusive COLA for all State-contracted human services workers and convening a human services employee wage board.

Michelle Jackson  
Executive Director  
Human Services Council of NY  
[Jacksonm@humanservicescouncil.org](mailto:Jacksonm@humanservicescouncil.org)